

February 23, 2006

Phillip L. Spector

Executive Vice President
and General Counsel

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, DC 20554

Re: Written Ex Parte Presentation

IB Docket No. 05-290; File No. SES-T/C-20051004-01371

Dear Ms. Dortch:

Intelsat Holdings, Ltd. ("Intelsat"), pursuant to Section 1.1206 of the rules of the Federal Communications Commission ("FCC" or "Commission"), files this *ex parte* letter to highlight that approval of the above-referenced proposed merger of Intelsat and PanAmSat<sup>2</sup> will help to achieve critical public policy emergency preparedness goals.

In a February 6, 2006 speech to the Satellite Industry Association, Chairman Martin recognized "satellites' role as an essential component of this country's public safety and homeland security operations." He also called for "instant infrastructure" and "off the shelf solutions" as essential in preparing for and responding rapidly to catastrophic natural disasters (such as Hurricanes Katrina and Rita, the tsunami in Asia, and earthquakes in Pakistan and India) and man-made crises (such as the 9/11 terrorist attack). As summarized in Intelsat's and PanAmSat's transfer application, and explained in greater detail below, the merger of Intelsat and PanAmSat will contribute to supporting strong and resilient communications in times of crisis, for several reasons.

<sup>&</sup>lt;sup>1</sup> 47 C.F.R. § 1.1206(b)(1).

Constellation, LLC, Carlyle PanAmSat I, LLC, Carlyle PanAmSat II, LLC, PEP PAS, LLC, and PEOP PAS, LLC and Intelsat Holdings, Ltd., Consolidated Application For Authority to Transfer Control of PanAmSat Licensee Corp. and PanAmSat H-2 Licensee Corp., IB Docket No. 05-290 (filed Sept. 30, 2005) ("Intelsat-PAS Application").

Remarks of FCC Chairman Kevin J. Martin to the Satellite Industry Association's Satellite Leadership Dinner (Feb., 6, 2006) available at http://www.fcc.gov/commissioners/martin/speeches2006.html.

<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> Intelsat-PAS Application, at 14-16.

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First, a larger, more efficient company will reduce the cost of providing service, thus making satellite solutions more economic. This will provide incentive for companies to incorporate satellites into their disaster preparedness plans. Those companies that maintain diverse communication networks (*i.e.*, comprised of both terrestrial and satellite components) will be in the best position to respond to a crisis. Such companies readily can switch communications to an existing satellite network if a primary terrestrial path is disrupted. Similarly, the merged company will offer more cost-effective opportunities for companies to equip themselves with back-up terminals preconfigured with hardware and software for use on a satellite network that could be activated in response to emergencies but not used on a regular basis. The merger will make such flexible and lower-cost satellite solutions more ubiquitous.

Second, the proposed merger will create a satellite company with greater resources that can be used for "rapid response" to increased bandwidth requirements in emergency situations. A larger satellite operator, with a more diverse and flexible fleet, will be better prepared for rapid turn-on of capacity for customers requiring additional capacity. To expand capacity in emergencies, satellite operators must maintain large and flexible teleports (able to move, overflow or expand networks between satellites or onto other satellites), leverage flexible satellite bandwidth solutions by better optimizing Occasional Use Capacity, and even potentially use in-orbit spare satellites (that are primarily there to provide backup solutions). Intelsat and PanAmSat, individually, have impressive histories of first and rapid response to support disaster relief; together they can better bring this experience to bear in North America and the rest of the world through use of a merger-enabled diverse and flexible fleet. In short, access to a larger fleet will provide the merged company more flexibility to manage capacity demands and better serve customers' "shock" needs, especially in times of limited supply, than operation of two unconnected fleets by separate companies.

Finally, the merged company will focus on innovation and work with equipment vendors to deploy more flexible, lower cost, higher bandwidth solutions that will supply higher quality of service in times of need. Intelsat's commitment to innovation has already resulted in the deployment of standardized, cheaper, and smaller terminals for full-time satellite networks that are being adapted for use in disaster recovery. Intelsat is also working to develop a stand-by portable or diesel generator that can be used to maintain satellite communications during electrical supply failures. In addition, the resources of the merged company can be used to promote development of mobile or remote sites that use pre-configured hardware/software solutions and bolt-on to existing infrastructure (hubs) with a minimum of effort or coordination. Intelsat also has proposed to deploy for the Department of Homeland Security Ka-band capacity optimized as a daily solution for border control and COTM (Communications on the Move), but also reconfigurable to support high bandwidth disaster recovery communications when needed. With additional resources, the merged company will be able to develop even more scalable bandwidth solutions.

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For these reasons, in addition to those articulated in the pending application for transfer of control, it would be in the public interest for the Commission to approve Intelsat's proposed merger with PanAmSat. By approving this transaction, the Commission will help to ensure that vital emergency preparedness goals are achieved.

Respectfully submitted,

Phillip Spector

cc (via e-mail):

James Ball

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